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OCI No. 2340/63

**CENTRAL INTELLIGENCE AGENCY
Office of Current Intelligence
20 August 1963**

MEMORANDUM

SUBJECT: [redacted] Cuba has
halted Industrialization Plans

REFERENCE: [redacted]

1. [redacted] does reflect the shift in Cuban planning away from grandiose projects for rapid industrialization and toward a sober approach emphasizing the need first to develop the agricultural base of the economy. This shift has been evident in public speeches by regime leaders for some months, but particularly since Castro's return from the USSR in early June.

2. This is not to say that all industrial projects have been stopped. There is no evidence that work has let up on the 20 to 25 industrial plants now under construction with Soviet bloc assistance. But these are light industries, some of them utilizing raw materials produced in Cuba and others relating directly to agriculture, such as fertilizer plants. Earlier plans for the construction of heavy industries, such as sizeable oil refineries, an expansion of the nickel industry, and a large steel mill, have evidently been deferred.

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Earlier this summer, shortly after his return from the USSR, Castro had spoken approvingly of the Soviet idea of the "international division of labor" under which each member of the "socialist camp" produces what it is best able to produce. He left no doubt that for Cuba this means sugar.

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